Passed

Sectt. M-27—104,006—4-11-48.

Dev (195/) Department.

RL SERIES.

G.O. NO. 712 pp

Dated 2 11 57

FOR MYSORE STATE

[Despatch Abstract.]

Textiles — mill Cloth — Selling
of rr/- Smuggling Chinnappa
Sappina - Conviction & Sentence
[redacted] - Appeal - Revision Petition
[redacted] Passed

8

O.S. Does Gl. call for remarks - 3/8

86002

BEFORE THE HONOURABLE MINISTER FOR INDUSTRIES

GOVERNMENT OF MADRAS, MADRAS.

SECRETARY TO GOVERNMENT 4 1951 DEVELOPMENT DEPARTMENT

THIRD ASST. SECRETARY TO GOVERNMENT 4 AUG 1951 DEPTT.

Ref: Memorandum No.24070 M.I/50-2 dated 19-1-1951.
Sub: TEXTILES - Mills Cloth Messrs Gurulingappa Soppina Hadgalli town - Bellary District Retail Licence - Cancellation - Appeal rejected - Revision Orders of the Government dated 17th May 1951.

APPLICATION NO. OF 1951 TO REVIEW THE ORDER.

Messrs Gurulingappa Chinnappa Soppina,
Hadagalli Town, Hadgalli Taluk,
Bellary District. Petitioner.

Appeal Petition to set aside the order of the Collector, Bellary, in C.No.1072 of 50 T,1 dated 21-11-1950 Cancelling the Petitioner's retail Licence No.557 of 1949. Revision Order of the Government dated 17th May 1951 prayed for.

The Petitioner has been in Textile business for many years past and became a licensed retail textile dealer under the new scheme from 1949, until his license was cancelled by the Collector, Bellary, on 20-11-50. He has a clean record of trade service and comes of a respectable Lingayat family in Hadgalli Taluk in Bellary District. He has a good repute in trade and other business.

2. The circumstances which led to the cancellation of his license are in brief as follows:-

On 17-10-50, one Vithobappa, a ready-made garment-maker of Hadgalli wanted some cloth in the name of Yamunappa and Kasappa. The two bills bearing Nos.246 and 247 were under preparation. The cloth was undelivered as the money was not paid and the bills therefore remained undetached. Just at that time the Textile Control Officer, Bellary who came to the shop for inspection looked into the bills and questioned the purchasers and Vithobanna. Yamunappa when questioned, replied that the cloth was purchased by him for Vithabappa and that was corrobarated by Kasappa. A statement purporting to be from Yamunappa was also taken and the statement of the other two, Kasappa and Vithobanna, were not taken, though they were present on the spot.

Later a notice was issued to the Petitioner to show cause why the license should not be cancelled. A reply was submitted with a request to examine the other two persons who were present at that time. Without any further enquiry the Petitioner's license was cancelled.

3. The report of the Textile Control Officer on which the license was cancelled is one-sided, unfair and untrue in many

P.T.O.

2/

respects. It is based more on imagination than on evidence and facts.

4. There was no sale in the above circumstances and the bills can never be called 'bogus ones'. The bargain was at the controlled rate and there was no violation of any law or condition of the license.

5. The Petitioner preferred an appeal to the Government against the cancellation order of the Collector, Bellary, and the same was rejected. The Petitioner once again presented a petition but with no avail.

6. The Petitioner has done the business bonafide and with the best of intentions. The Petitioner has immensely suffered as he lost the business completely from 20-11-50. The cancellation of the license is too severe and the punishment now undergone by the Petitioner may be treated as sufficient.

The Petitioner, therefore, prays that the Government may be pleased to reconsider and revise the order No 49415.M1/51-1 dated 17th May 1951

A copy of the order is submitted herewith.

S. Gurulingaiah

P. 137-139
21/6

Encl no 86002 D1/51-1 dt. 17.8.51

Referred to the Collector of Bellary for remarks before 15/9/51 thro' R. D. Dce

AP 18787/M 14887.

17859

Compd sd 21/8

To the Collector of Bellary
do R. D. Dce.

No.Mc.3...100386/51.

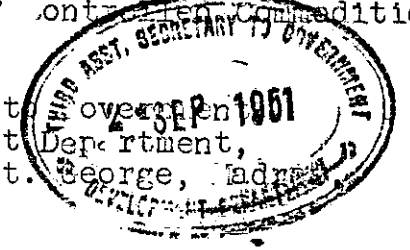
Office of the
Director of Controlled Commodities,
Mount Road, Madras, Dated: 20-9-51.

From

Sri P.S.Viswanatha Ayyar, I.C.S.,
Director of Controlled Commodities.

To

The Secretary to Government,
Development Department,
Fort St. George, Madras.



105020

Sir,

Sub: TEXTILES - Mill cloth - Lieence of - M/sGurulingappa Chinnappa Soppina - Madagalli Bellary District - cancelled - appeal.

Ref: 1. Government Endorsement No.86002/MI/51-1 dated 17-8-51.
2. Letter No.1214/51/M. dated 1-9-51 from the Collector of Bellary.

....

I enclose the report received from the Collector of Bellary with all enclosures in original.

2. There is no ground for leniency, in this case.

for Director of Controlled Commodities.

Vs/21.9.51

From R93

Sri. G. Rami Reddi. B.A.,
Collector, Bellary.

To 100356/51
The Secretary to the Govt.,
Dev., Dept., Madras.
" THROUGH "
The Director of Controlled Commodites, Madras.

Enclosures:- Four Docs. fls.

By Regd Post AD.

R.C. No. 1214/51. T.1 D/1.9.51.

******

Sir,

Sub:- Textiles - Mill cloth - M/S. Gurulingappa Chinnappa Soppina - Hadagalli town - Retail licence - No. 557-(M)R Cancelled - Appeal rejected - Revision petition - Remarks - Submitted.

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Ref:- Endorsement No. 86002 - MI/51.1 Dated, 17.8.51 From the Government of Madras (Development) Dept., Madras.

***

I submit the following report on the revision petition filed by the retail dealer, M/S. Gurulingappa Chinnappa Soppina, Hadagalli a copy of which has been forwarded to me in the endorsement cited.

On 17.10.50 the Textile Control Officer, Bellary, paid a surprise visit to the retail shop of the petitioner and detected that two original bills were intact in the bill book of the dealer without having been issued to the buyers mentioned therein, and that the bill were also bogus ones as cloth had not been sold at all to the persons concerned on those bills.

On 13.11.50 the dealer offerred an explanation to the charges framed in the show cause notice issued in R.C.No.1092/51.T.1D/1.11.51 As the dealer's explanation was not convincing, his licence was cancelled in this office C.No. 1092/50.T.1. D/ 21.11.50 on the ground that the dealer was found to be guilty of fraudulant transactions.

On 6.12.50 the dealer appealed to the Government to set aside the Collector's orders cancelling his licence. The appeal petition was rejected in their endorsement No. 124070 MI/50 Dated, 19.1.51. The present revision petition is a praver to revise the Government order.

The main ground urged by the petitioner in his revision petition is that the two bills which were considered bogus ought to have been treated as cancelled ones as the persons mentioned therein had not been issued cloth for non-payment of the price and that out of the three persons mentioned below, the statement of item No. 1 only was recorded and that the other two persons who were present at the spot were not enquired by the Textile Control Officer on 17.10.50.

(P.T.O.)

Item No. 1. ~~xxix~~ Sri. T. Kesappa son of Kasavva --
Bill No. 246/ 17.10.50.

2. Sri. S. Yamunappa Son of Basavva --
Bill No. 247/ 17.10.50.

3. Sri. Amboni Vittobhappa Son of Subbannam Reddy made Garment Maker, Hadagalli.

The allegation of the petitioner is baseless because the statements of all the three persons mentioned above, were recorded by the Textile Control Officer on 17.10.50 before proceddings against the dealer. Items No. 1 and 2 stated that they had never purchased the cloth specified in the two bills written in their names. Items No. 3 stated that the entire cloth (sold in the three bills) was intended for him and that the two other bills (in question) were written up in the names of items No. 1 and 2 and the cloth issued to him (to item No.3) by the dealer in order to avoid any objections to sale of cloth to the Ready made Garment makers.

As the fraudulent transactions of the petitioner were thus proved, the Government rejected his appeal petition. No fresh grounds have now been put forth by the petitioner. The revision petition does not therefore deserve any consideration. The restoration of the petitioner's licence is undesireable and may be rejected.

I enclose this office files mentioned below for favour of perusal and reutrn.

1. D.Dis. No..1092/50. Dated, 2.12.50 (34 pages.)
2. D.Dis. No. 1404/50. Dated, 31.1.50. (18 pages.

Sd. G. Rami Reddi.
Collector.

By Order

S.B.H. 1/9.

Textile Control Officer.

Dev II Secy

Sub: Textiles - mill cloth - Bellary Dt.
M/s. Gumleingappa Chinnappa Soppina — Cancellation of retail licence - Appeal - Revision petition orders passed.

Ref: From M/s. Gumleingappa Chinnappa Soppina, Hadagalli Town Dt nil.
From the Collector of Bellary RC No. 1214/57 Dt. 1.9.57
From the D.C.C. No. BL 100386/57 Dt. 2.9.57

G.O. Rt No 712 dated 2-11-57

The Govt. direct that the order of the Collector of Bellary Cancelling the retail mill cloth licence of M/s. Gumleingappa Chinnappa Soppina, Hadagalli, Bellary Dt., be modified to one of suspension of licence for a period of one year. The Collector of Bellary is accordingly requested to issue the revised orders accordingly.

2. M/s. Gumleingappa Chinnappa Soppina are referred to the Collector of Bellary for orders on their petition dated.

1.11.57

To the Collector of Bellary
the records returned (M) D.Dis 1092/50 Dt 2-12-50.
To the D.C.C
To M/s Gumleingappa Chinnappa Soppina
Cloth dealers
Hadagalli Town.

Para 2 only

9

From,
Sri. Soppina Gurulingappa,
Cloth Merchant, HADAGALLI.

To
The Secretary, Development Department, MADRAS.

Sir,

Sub: TEXTILES-METTUR MILL LICENCE OF- Gurulingappa Chinnappa Soppina-Hadagalli Taluk and Town-Restored-Ordinary Mill Cloth-Retail Licence- issued-orders-RESTORING -Mettur Retail Licence-Requested.

****

142211

Ref:- 1. Your G.O. Rt.712/51. Dated 2-11-51.
2. Bellary Collector's D.Dis.1214/ 51.T.1.Dated 15.12.51

****

Mettur and Binny Licences - Retail or Wholesale-are Special Licences. Hitherto under the present Textile Control Order, Mettur and Binny Licences and other ordinary Mill Cloth Licences were issued seperately. Mettur and Binny Retail Dealers were allowed to take Quottas of other mills cloths merely because the Quottas allott the retailers by these two mills were small and inadequate. So in order to compensate that they were allowed to take Quottas of other mills Cloth. Mine is a Mettur Retail Licence. In my Licence No.557 (R)/49. Dated 6.4.49 when it was issued it is written against item 6 as "Retail Mettur Cloth Only". When that Licence was restored in your G.O.Rt.712/51 dated 2.11.51 I contend that my Special Mettur Retail Licence is restored and not any other ordinary Mill Cloth Retail licence. But the Collector Bellary in his D.D. is 1214/51 T.1. Dated 15.12.51 he has cancelled Mettoor quotta and linked my retail licence to the ordinary Mill Cloth wholesaler for the purpose of allotment of quottas. Hence I humbly request that clear orders restoring my Mettur Retail Licence may kindly be issued to me at an early date. Till the receipt of your order I shall take the ordinary Mill Cloth Quottas under protest.

For which act of kindness I shall be highly thankful to you.

HADAGALLI
Dated: 24.12.51

Yours Faithfully
S. Gurulingappa

Copy to the Collector Bellary, and Messers S.Krishna Swamy and and P.Suryanarayana, Sole Distributors for Mettur Industries Ltd., MADRAS for information.

Dev. I Dept

Endt No. 142211/HI/51-1 dt 18-1-52.

Reports from Collector of Bellary for remarks before 10/2/51

22/1/52

18/1/52

29/1/52

To the Collector of Bellary.

12/2/52

11

From

Sri. G. Rami Reddi. B.A.,
Collector, Bellary

To

The Secretary to Government
Development Department, Fort St/,
George, Madras.

L.Dis. 264/52. T.1. Dated, 3.2.52.. 13421

Sub:- Textiles - Mill cloth - Bellary district - Hadagalli taluk and town - Retail dealer - Sri. Gurulingappa Chinnappa Soppina - Restoration of Mettur Retail licence - Remarks - Report submitted.

Ref:- Government Development Department Endorsement No. 142211 MI/51-1 Dated, 18.1.52.

The retail mill cloth licence of M/S. Gurulingappa Chinnappa Soppina of Hadagalli, who also held special mettur mill cloth quotas was cancelled in this office C.No.1092/50.T.1.D/21.11.50 as he was found guilty of fraudulant transactions. The Government in their G.O.Rt. No. 712 Development Department dated, 21.11.51, however, modified my orders to those of suspension of licence for a period of one year and his retail licence was accordingly restored with effect from 24.11.51 in this office R.C.1214/51.T.1. Dated, 10.11.51. As his reputation for honest dealings was questionable, in view of his punishment, the licensees' special mettur mill cloth quota was allotted, after the cancellation of his licence, to M/S. Shah Bahadurmal Harakchand of Hadagalli and his request for restoration of mettur quotas was accordingly rejected in this office R.C.1214/51 T.1. dated, 10.12.51.

The dealer, in his appeal petition communicated with the Government endorsement cited, contends that his licence was a 'Mettur Retail licence' and that when the Government Ordered its restoration in G.O. Rt. No. 712 Development Department dated, 2.11.51 it meant that his ' Mettur Retail licence ' is restored. This interpretation of the dealer is not correct as there are no special retail mettur licences as distinguished from other retail mill cloth licences. Usually the licensees with good reputation for honest dealings are recommedned to the sole distributors of Mettur Industries Ltd., Madras, for allotment of mettur quotas. In this case as the appelant was punished for his dishonest dealings, the restoration of mettur quotas to him was considered undesirable though his licence was restored by the Government and he was permitted to deal in mill cloth. The sole distributors of Mettur Industries Ltd., Madras, in their letter dated 15.12.51 have also agreed with my suggestion and have expressed their desire not to restore the mettur mill cloth quotas to him.

A copy of their letter is enclosed.

K. Krishnaswamy
4.2.52

S.B.H. 4/2

FOR COLLECTOR.

Copy of Letter from Sole Distributors Mettur Industries Madras dated, 15th December 1951 to the Collector, Bellary..

Sir,

Sub:- Textiles - Mill cloth - Mettur Products - Distribution Restoration of retail licence of Sri. S.Gurulingappa of Hadagalli.

Ref:- Yours Ref.C.No. 1214/51. T.1. Dated, 10.12.51.

We agree to your suggestion that it is not desireable to restore the allotments of Mettur Products to Sri. S. Gurulingappa of Hadagalli in view of the fact, that he has indulged in the past in fraudulent transactions in cloth.

Please let us have a list of names of Retail dealers who are licenced to deal in Mills cloth at Hadagalli, from which we shall select one to deal in our products.

Thanking you.

Yours faithfully.
Sd. xx xx

-/True Copy/-

K. Krishna Swamy
4.2.52.

S.B.H. 4/2

FOR COLLECTOR.

Pl. Spl Fly 1-3-52

1378/313

Dev. Dept 12

Memo No. 142211 NT/57-2 dated 1-3-52

Sub: Textiles - sale clerk - Bellary - Sri. Gurulingappa Chinnappa Soppina - Restoration of Retail licence

Ref: From Sri Gurulingappa Chinnappa Soppina dt 24.1.52
From the Collector of Bellary. Lr No 264/102 T1 dt 3.2.52

The petitioner is informed that he has to blame himself for his present difficulty which is due to his contravention of Control orders.

Copy order on p2 N=

To Sri Gurulingappa Chinnappa Soppina Cloth dealer Hadagalli Bellary dt

Copy to Collector of Bellary.

1 CR

3-5 CR

(Cno. 860027 ನ್/ನ)

18/15/x

Rev.(M.1) Department.

Sub: Textiles - Mill Cloth - Bellary District - Messrs. Gurlingappa Chinnappa Soppanna - Cancellation of licence - Appeal.

Ref: Petition fom Messrs. Gurlingappa Chinnappa Soppanna dated the nil
From the Collector, Bellary R.C.No.1214/51 dated the 1-9-1951
From the D.C.C. No.B.I.100386/51, dated 2-9-1951

To A.S. The enclosed file may be perused

On 17-10-1950 the T.C.O. Bellary insepcted the applicant's shop and found two original bills were in tact in the bill book without being issued to the buyers and the cloth menticned had not been sold to the persons concerned on the bills thus the bills were found out to be bogus ones. Charges were framed against the dealer and as his explanation was not convincing, the dealers licence was cancelled by the Collector. He appealed to the Govt. on 6-12-1950 and the petition was rejected in Government ~~Memo~~ Endt. No.124070/M.1/50 dated 19-1-1951. The petition for reconsideration was also rejected vide Memo.No.49413-M1/51-1 dated 17.5.51 ~~requesting to revise~~ the Govt. orders. The plea of the petitioner now is that the bills which were considered bogus ought to have been treated as cancelled ones for the reason that the persons mentioned did not pay the money and the cloth was not issued to them. The Collector of Bellary has however stated that the allegations of the petitioner was baseless because the T.C.O. recorded statements from those persons that they have never purchased the cloth specified in those two bills. No fresh grounds have been put forth by the petitioner. He considers that restoration of the petitioner's licence is undesirable. The D.C.C. also considers that there is no grounds for lenicncy. This is the third revision petition. For orders whether the petition may be rejected.

24/10/51 6/10/51

D.S. 6/10/51

(Gen.1(1))
may be rejected

The cancellation may be converted to one of suspension for one year.

24/10/51

eb 23/x

SECRETARY TO GOVERNMENT
24 OCT 1951
REVENUE DEPARTMENT

2

To AS.

A draft order is subd. mk reference to H.M (2nd) for orders as proposed

AS. 29.10.57

1.11.57

(Issued as GO Rt. No 712 Dev dt 2.11.57)

(C.No.142211 MI/51) | Dev. (MI) Department.

Sub: Textiles - Mill cloth - Bellary Dt. - Sri Gurulingappa Chinnappa Soppina - Restoration of Mettur Retail licence.

Ref: From Sri Gurulingappa Chinnappa Sopina dated 24-12-51.
From the Collector of Bellary L.Dis.264/52 T1 dated 3-2-52.

To A.S.

In G.O.Rt. No.712 Dev. dated 3-11-1951 the Government directed that the Collector's order cancelling the licence of the appellant be modified to one of suspension for a period of one year. The period of suspension was over. The Collector of Bellary restored the general licence of the petitioner but did not restore the Mettur Quota which he was getting prior to the cancellation of licence.

When the appellant's licence was cancelled by the Collector, he selected another dealer for distribution of Mettur cloth.

The appellant now contends that in as much as the licence has been restored it should carry with it the restoration of the Mettur cloth quota which he was enjoying prior to cancellation of licence. But the Collector seems to say that the sold distributors are not desirous to restore the Mettur quota to the appellant as the appellant was punished for dishonest dealings. Government reduced the punishment of cancellation of licence to one of suspension for one year. They did not say anything about the restoration of Mettur cloth quota to the appellant as it was not stated in the Collector's report that the appellant was also a Mettur cloth dealer. Attention is invited to H.M. (Ind.) orders on p.1 n.f. of (R). The restoration of licence after the period of suspension would ordinarily mean that the appellant should be restored to the position he was enjoying prior to cancellation. But the Collector is not inclined to restore the Mettur quota to the

1422/11

the appellant. He wrote to the sole distributors about it and they agreé with the Collector that it not desirable to restore the Mettur quota to the appellant. Though the Collector, as the licensing authority can stop the Mettur quota, it is not clear whether H.M.'s orders implied restoration of general mill cloth only. The point for consideration is whether or not the appellant is entitled to the restoration of the Mettur quota after the period of suspension is over.

The file may be circulated to H.M. (Ind.) for orders.

16/2/52

Though it is correct to say that the restoration of the licence is for both general mill cloth as well as Mettur Mill quota in this case it has to be borne in mind that during the period of suspension the Mettur Mill distributors changed the distribution of the quota and gave it to some other dealer. Further the suspension is itself a stigma and it is open to the Mettur distributors to ~~agree~~ argue that they cannot have a person found fault with for contravention of control orders as the dealer. The dealer has to blame himself for his present difficulty which is due to his contravention of control orders. A

SECRETARY TO GOVERNMENT 25 FEB 1952 DEVELOPMENT DEPARTMENT

D.S 18.2.52

A - The Petr. may be informed accordingly

19.2.52

DEPUTY SECRETARY TO GOVERNMENT 25 FEB 1952 DEVELOPMENT DEPARTMENT

A copy of Memo is sent

19/2/52

1.3.52